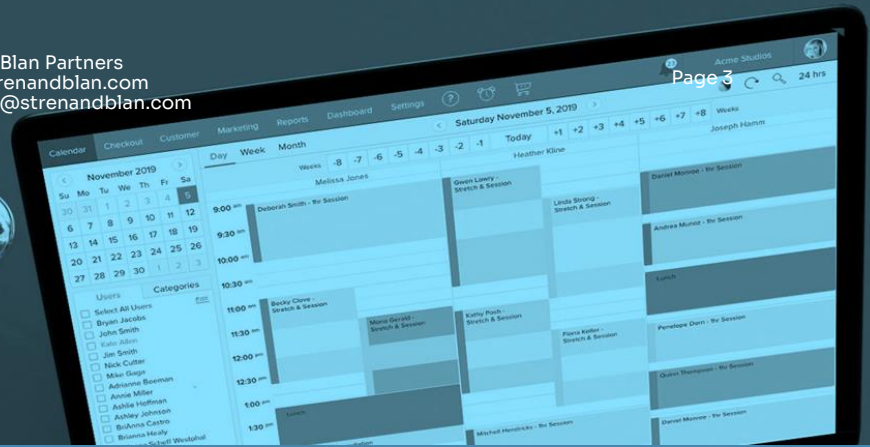




E-Commerce Platform Liability for Defective Products Sold by Third-Party Vendors

Table of Contents

Introduction	03
E-commerce Platform Liability	04
Global Trends in Platform Liability	06
The Nigerian Legal Framework	08
Recommendations for E-Commerce Platforms In Nigeria	10
Conclusion	12
About Stren & Blan Partners	13



Introduction

The expansion of e-commerce has unsettled the architecture and orthodox conceptions of legal responsibility in commercial transactions. In Nigeria, platforms such as Jumia and Konga function as intermediary marketplaces, enabling third-party sellers to transact under their digital infrastructure. Yet this convenience carries hidden risks, like defective products, including faulty electronics and counterfeit goods, to hazardous household items, which frequently reach buyers.

When injury or loss occurs, a core question arises: who bears liability? The elusive third-party seller who is often untraceable or judgment-proof, or the platform that facilitated the transaction, profited from it, and controls the marketplace?



A smartphone and a laptop keyboard are visible on a dark blue background. The smartphone is in the center, showing a home screen with various app icons. The laptop keyboard is partially visible in the bottom right corner.

E-commerce Platform Liability

E-commerce platform liability is the obligation imposed on online marketplaces, such as Jumia, Jiji, Alibaba or Amazon, for unlawful activities, unsafe products, or harm suffered by consumers through the use of their platforms. Platform liability typically takes the form of product liability and includes responsibility for defective goods, counterfeit items, and breaches of consumer protection regulations. Product Liability, as defined by Black's Law Dictionary, is "the general obligation or liability of the producer or supplier of goods and services to adjust for the loss associated with its utilisation, such as damage to property or personal injury¹.

In traditional commerce, buyers and sellers interact within a shared physical space, making identity, control, and responsibility readily ascertainable.

By contrast, e-commerce platforms interpose a digital intermediary that displaces physical presence, fragments transactional roles, and complicates the attribution of legal responsibility among vendors, consumers, and the platform itself.

In certain cases, platforms may be held jointly liable with third-party sellers, particularly where they play an active role in storage, delivery, or marketing, thereby moving beyond a purely passive intermediary position.



¹Black's Law Dictionary, 10th Edition



Global Trends In Platform Liability

Globally, courts and legislatures are increasingly resolving this question against e-commerce platforms and in favour of the consumers.

In the United States, a series of landmark decisions reflects a clear doctrinal shift. In *Angela Bolger v. Amazon.com, LLC*², the California Court of Appeals held Amazon strictly liable for severe burns caused by an exploding laptop battery sold by a third-party vendor.

Although Amazon neither manufactured nor owned the product, the court emphasised its integral role in the transaction: the item was stored in Amazon's warehouse, packaged in Amazon-branded materials, payment was processed through its system, and Amazon itself effected delivery. These functions, the court reasoned, placed Amazon squarely within the chain of distribution.

Strict liability was justified on the basis that Amazon was an “integral part of the overall producing and marketing enterprise,” and was best positioned to prevent defects and internalise costs through its continuing commercial relationships with sellers.

A comparable approach has been adopted within the European Union. The revised Product Liability Directive (EU) 2024/2853 and the General Product Safety Regulation (EU) 2023/988 expressly classify online marketplaces as “economic operators” capable of incurring liability for defective products, particularly where they act as importers or fulfilment service providers³.

Complementing this framework, the Digital Service Act (EU) 2022 imposes heightened due diligence obligations on very large online platforms, including mandatory risk assessments and mitigation measures for unsafe products⁴.

Recent enforcement actions involving Amazon, Temu, and Shein underscore a regulatory expectation that platforms take proactive responsibility for monitoring, preventing, and removing dangerous goods from their marketplaces.

²(2020) D075738
<https://law.justia.com/cases/california/court-of-appeal/2020/d075738.html>

³EUR-Lex, ‘General Product Safety Regulation (2023)’ <<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=legisum:4670517>> accessed 22 April 2026

⁴See Section 24 of the Act



The Nigerian Legal Framework

While Nigeria does not have specific provisions on e-commerce platform liability, the *Federal Competition and Consumer Protection Act (FCCPA) 2018* is the cornerstone of consumer protection. *Section 134-136* guarantees rights to safe, good-quality goods and imposes liability for defective products on manufacturers, importers, distributors, suppliers, and retailers. Hazardous goods must be withdrawn from the market, and liability cannot be contractually excluded⁵.

The Act establishes the Federal Competition and Consumer Protection Commission (FCCPC) to enforce these rules through investigations, recalls, and redress mechanisms against unfair practices.

Given the decision in *Angela Bolger v Amazon.com, LLC*, the revised Product Liability Directive (EU) 2024/2853, and the General Product Safety Regulation (EU)

2023/988, it follows that e-commerce platforms in Nigeria could be classified as “suppliers” or “distributors” when they host third-party sales.

In this case, the provisions of Section 136 of the FCCPA will apply to hold these platforms liable for defective products. Particularly, Section 136(3) of the FCCPA provides that the party that supplied the goods would be liable for product defects, whether the consumer bought the goods directly from them or entered into any contract with them.

Also, where the platform is found to have breached its duty of care to its consumers, it could be held liable for negligence under common law. In summary, e-commerce platforms can be held liable for defective products, where these platforms:

- Misrepresent the product⁶. For example, listing counterfeit products as genuine.
- Fail to disclose clear and accurate product details. Liability arises if consumers suffer harm caused by withheld or misleading information⁷.
- Are negligent in vendor vetting. For example, failing to exercise due diligence in onboarding third-party vendors.
- Breach consumers' rights under the FCCPA. These rights include the right to refunds and goods that match the description⁸.

⁵See Section 136(3) of the Act.

⁶See Section 121(3) & (4) and 125(1) of the FCCPA 2018 and Section 13 of the Sale of Goods Act 1893

⁷See Section 116(2) & (3) of the FCCPA 2018

⁸See Section 122 of the FCCPA 2018





Recommendations For E-commerce Platforms In Nigeria

Given the global trend towards holding e-commerce platforms liable for defects in products sold by third-party vendors, platforms in Nigeria should take proactive steps to anticipate and mitigate exposure to such claims by implementing the following measures:

- Ensuring the accuracy of product descriptions and compliance with labelling requirements by vetting product information before approval.
- Conducting thorough due diligence on vendors to identify and exclude bad-faith actors.
- Implementing comprehensive terms and conditions that clearly define the rights and obligations of the platform, vendors, and consumers, while appropriately limiting the platform's liability for defective products.



Conclusion

Nigeria's e-commerce sector is poised for significant growth but unlocking its potential requires a careful balance between entrepreneurial freedom and consumer protection. By adapting global best practices to local realities, platforms can mitigate product liability risks while

ensuring that consumers are compensated for harm caused by defective goods sold by third-party vendors.

This approach promotes vendor accountability, strengthens consumer trust, and supports the continued growth of Nigeria's digital economy.

About Stren & Blan Partners

Stren & Blan Partners is a world-class ingenious law firm with a beautiful blend of the brightest minds and well-rounded individuals championed with sole responsibilities of providing solutions to business problems and equally finding answers to the questions of our clients.

We are a team always guided by our professional ethics. Also, honesty and transparency have been our watchwords in practice. Stren & Blan Partners is a full-service commercial Law Firm that provides legal services to diverse local and multinational corporations.

We have developed a clear vision for anticipating our clients' business needs and surpassing their expectations, and we do this with an uncompromising commitment to Client service and legal excellence.

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